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FARM ELECTRICITY REPORT

April 12, 1956

Electricity Consumption Up Average Cost per Kwh Lower

A continued increase in the use of electricity on farms has resulted in a record high average monthly electric bill and a record low average cost per kilowatt hour paid by farmers, according to an annual survey made by the Crop Reporting Board. This survey, which included reports from over 22,000 farmers throughout the United States, indicated that the increase in electricity consumption was general throughout all Regions and States.

The average cost per 100 kwh to farmers in July 1955 was \$2.61 compared with \$2.65 a year earlier, \$2.77 in 1953, and \$3.03 for the July 1947-52 average. The decline from 1954 to 1955 was the smallest in several years. This was owing in large part to the fact that many farms were already using quantities of electric energy which reach into the cheapest block of the rate schedules. Further increases in usage by these consumers are at constant rates per kilowatt hour. Increases in retail rates charged by some suppliers may also have been partly responsible for the relatively small decline in the 1955 average price paid per kilowatt hour. Meanwhile, the average monthly electric bill paid by farmers continued to increase and the U. S. average at \$10.00 for July 1955 was 55 cents above a year earlier and over \$3.00 above the 1947-52 average.

According to this survey, an average of 385 kilowatt hours of electricity was used per farm with central station service in July 1955. This compares with 363 kwh in July the previous year, 317 in 1953, and with 227 for the July 1947-52 average. The total kilowatt hours used on all farms last July was estimated at 1.7 billion.

In the Pacific Coast States, where electricity is widely used to pump irrigation water and where the cost of electricity is relatively low, the amount of electricity used per reporting farm averaged 1,400 kilowatt hours per month, over twice as much as in any other Region and over six times the average amount used in the West South Central States. Irrigation is a factor in the Mountain States, also. In this region and in the Middle Atlantic and North Central Regions, where a high percentage of farms have had electricity for a long period of time, electricity consumption was above the national average. Farms in the South Central and South Atlantic Regions used the smallest amounts of electricity, although consumption has increased greatly in these areas in the past few years.

No region indicated an increase in average cost per kilowatt hour from 1954, but the Middle Atlantic, East North Central, Mountain, and Pacific States showed no change. In all regions, the decrease was only 10 cents per 100 kilowatt hours which compares with decreases up to 40 cents in the previous years. Farmers in the West North Central and the West South Central States paid the highest average cost per kwh--3.5 and 3.3 cents respectively--

U. S. D E P A R T M E N T O F A G R I C U L T U R E

Agricultural Marketing Service

Crop Reporting Board
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while those in the Pacific Region paid the lowest—1.8 cents per kwh. Other areas where the average cost per kwh was below average are the Middle Atlantic and the Mountain Regions, where the average consumption is high, and the East South Central Region, where the TVA is a major wholesale supplier.

Kilowatt-hours used, average cost per kilowatt-hour, and
average monthly bill by regions 1/

Regions	July 1947-53 average			July 1954			July 1955		
	Kwh. :	Av. :		Kwh. :	Av. :		Kwh. :	Av. :	
	used :	cost :	Average	used :	cost :	Average	used :	cost :	Average
	per :	per :	monthly	per :	per :	monthly	per :	per :	monthly
	farm :	kwh. :	bill	farm :	kwh. :	bill	farm :	kwh. :	bill
		Cents	Dollars		Cents	Dollars		Cents	Dollars
N.Eng.	280	3.0	8.50	325	3.0	9.70	355	2.9	10.30
M.Atl.	353	2.6	9.05	460	2.4	11.10	495	2.4	11.90
E.N.C.	284	3.0	8.37	400	2.7	10.70	425	2.7	11.50
W.N.C.	203	4.0	8.06	295	3.6	10.00	320	3.5	11.20
S.Atl.	179	3.1	5.54	275	2.7	7.30	295	2.6	7.70
E.S.C.	161	3.0	4.73	240	2.5	6.00	260	2.4	6.20
W.S.C.	131	4.2	5.41	205	3.4	7.00	225	3.3	7.40
Mount.	335	2.5	8.33	480	2.4	11.60	510	2.4	12.20
Pacific	600	1.7	10.56	1,300	1.8	23.80	1,400	1.8	25.20
U.S.	240	3.00	7.11	363	2.65	9.45	385	2.61	10.00

1/ The survey made in July and August requested data based on "last bill", This was generally a bill for a period ending in last June, July, or early August.

